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BODY:

CENK UYGUR, HOST: Good evening, everybody. I'm Cenk Uygur.

Tonight, we're going to show you parts of a blockbuster interview with Donald Trump that have not been broadcast before, and it's good.

NBC's national investigative correspondent Michael Isikoff sat down with Trump and questioned him about his business dealings. We'll talk to Isikoff in just a few moments about his great interview that finally forced Trump to address the truth about his real record in business.

The questions went to the heart of the very thing that Trump claims makes him a credible candidate -- his business success.

(BEGIN VIDEO CLIP)

MICHAEL ISIKOFF, NBC NEWS INVESTIGATIVE CORRESPONDENT: You have clearly had some big successes in the business world, but you've also had some big failures. And let's go straight --

DONALD TRUMP, ENTREPRENEUR: No, I don't think I have had big failures. Donald Trump has always been very, very successful. And so when you say failures, I don't think I have had failures. But let's go ahead. Ask me about a couple.

ISIKOFF: OK. Trump Hotels and Casinos filed for bankruptcy protection three times in six years.

TRUMP: OK. Let me explain that to you. Very simple.

ISIKOFF: Isn't that a failure?

TRUMP: Not really. I mean, look, it worked out very well for me, it was successful. I then levered (ph) the company, I took it public. So I had a relatively small piece of the company. And what happened is --

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ISIKOFF: Wait a second. You were chairman of the board. You were chairman of the board.

TRUMP: Excuse me. I was chairman, but I didn't run the company. I had nothing to do with running the company. Management ran the company.

ISIKOFF: You were paid \$2 million a year.

TRUMP: Excuse me. I didn't run the company. I'm just telling you.

ISIKOFF: So what were you paid \$2 million a year for?

TRUMP: Excuse of my genius. OK?

(END VIDEO CLIP)

UYGUR: "Excuse me." Excuse me."

Genius. He had three bankruptcy filings in six years for Trump Hotel and Casinos. Genius?

But that's just the beginning. Trump's habit of slapping his name on other people's products has also landed him in court.

(BEGIN VIDEO CLIP)

ISIKOFF: There are also some ongoing lawsuits in which investors in Trump projects are suing you, claiming they were deceived. They thought they were buying into a Trump project and discovered it was only a licensing deal.

Trump Tower, Tampa, you were down there for the ground breaking. You said this was going to be a spectacular project that was going to redefine Tampa's skyline. In fact, you weren't an investor in the project at all, and it's never been built.

TRUMP: It was just a licensing deal. I was not the developer of those sites. I licensed the name "Trump" to those buildings.

In case you haven't heard, there was a market collapse. And these people did better than most other people in Florida because they got some of their money back and they may get more of it back.

ISIKOFF: They're still suing you.

TRUMP: Well, yes, I think it's working out very nicely. I think it's working out.

(END VIDEO CLIP)

UYGUR: I'm not sure the investors would agree. That's why they're in court. But it does look like these deals do work out for one guy at the end -- Donald Trump.

Now, he has a theory as to why that is.

(BEGIN VIDEO CLIP)

ISIKOFF: Do you think it's fair to say that sometimes you exaggerate?

TRUMP: I don't think I exaggerate any more than anybody else. I think that I have a great grasp of numbers. I have a great grasp of values.

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I'm worth many, many billions of dollars. You may very well be impressed, even you, with all your negative questions about very small things.

ISIKOFF: Even one of your friends said that your real genius is for self-promotion. You are a modern day P.T. Barnum.

TRUMP: Well, I think my real genius is not actually in promotion. I think I build a great product, great locations, and everybody says, oh, gee, what a great salesman he is. It's this. It's not my salesmanship.

ISIKOFF: It's what?

TRUMP: This. Do you know what that is? Brain power.

(END VIDEO CLIP)

UYGUR: What do you think is stronger, Trump's brain power or Charlie Sheen's tiger blood? I wish Isikoff would have asked him that.

All right. Well, actually, let's bring in NBC's national investigative correspondent, Michael Isikoff.

Michael, you asked him plenty of other things. It seemed a bit contentious.

ISIKOFF: Sorry I hadn't thought of that one, but I will next time.

(LAUGHTER)

UYGUR: Right.

So, now, he said at the end there, you, with your negative questions about small things. How contentious was this?

ISIKOFF: He got pretty prickly, as you can see from that interview. And I don't think he appreciated being challenged on some of his spin on some of what have clearly been business failures.

But, you know, bizarrely, the thing he got most exercised about is what his net worth is. I cited "Forbes" magazine estimate of \$2.4 billion to him, and he corrected me. He said no, no, "Forbes" has more recently, in its international edition, upped it to \$2.7 billion.

UYGUR: Right.

ISIKOFF: And, of course, he claims it's about \$7 billion. We won't really know for sure unless he, A, declares for president and then fills out that financial disclosure form.

UYGUR: Michael, we have that piece of the video. I love it, so I want to make sure that everybody sees it. Let's run that.

ISIKOFF: Sure.

(BEGIN VIDEO CLIP)

ISIKOFF: How much are you worth?

TRUMP: A lot of money, and you may very well see that number in about 70 days or 80 days.

"Forbes" said \$2.7 billion. And \$2.7 billion is very low. It's much lower than the actual number that I may be

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showing to people and to the rest of the world in a couple of months.

If I run shortly thereafter, I will send a statement of financials and cash, and how much debt and all that. And I think people are going to be very impressed. It's actually much bigger than any numbers I have seen.

(END VIDEO CLIP)

UYGUR: Other than being generally unbearable, bragging about his wealth, you know, it's a little hard to believe him. And I think that he's actually not going to run for that specific reason. I don't think he wants the world to know what he is actually worth.

ISIKOFF: That is certainly one theory out there. You know, there was a "New York Times" reporter, Tim O'Brien, who wrote a book a few years ago, who talked to some sources who suggested Trump was really only worth a couple of hundred million dollars.

Trump sued Tim O'Brien, the reporter, for defamation, claiming to be called a multimillionaire rather than a multibillionaire had somehow defamed his reputation. The lawsuit got tossed out of court and Trump then appealed.

And, in fact, the appellate argument was heard only a couple weeks ago in a Jersey City courtroom. Trump showed up and was slipping notes to his lawyers.

He clearly is very exercised about this issue. But will we ultimately see that document that lays out his wealth? We're going to know very shortly, but that's something he's going to have to do if he goes through with this presidential run.

UYGUR: Yes. I don't believe he's going to do it at all. I would be shocked. But we'll see if Donald can shock us.

But, you know, you had another great part of this interview about Trump University, which was great. I just want to run that for anybody and then come back and ask you about it.

ISIKOFF: Sure.

(BEGIN VIDEO CLIP)

ISIKOFF: Why did you call it a university?

TRUMP: Because we didn't know there was any rules or regulations about using the name "university."

ISIKOFF: You didn't check that out?

TRUMP: I think probably they felt that we would have qualified. If we didn't qualify, that's fine. We changed the name.

ISIKOFF: And people would pay money to hear you?

TRUMP: Sure, they'd pay money. Why, am I supposed to do it for free?

ISIKOFF: People have to pay, as I understand it, up to \$35,000 for the gold seminars.

TRUMP: And they did. There's very little problem with Trump University. There's very little -- I think we had one or two little lawsuits out of thousands of people that went through it.

We have one or two little lawsuits. There's one in California, a little lawsuit.

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(END VIDEO CLIP)

UYGUR: Just a little lawsuit. He seems to be involved in a lot of little lawsuits, but what was this? Was this a real university, did it have classes, professors, or --

ISIKOFF: It's not a real university in the sense you and I would understand it. It was basically a series of seminars.

The first thing they ask you to do, according to some of the students who went through it, is up the limit on your credit card to \$35,000 so you can then afford the gold seminar in which you really learn the secrets of Donald Trump's success and learn how to become a millionaire.

State regulators all over the country have gotten complaints about this. There is a class action lawsuit being filed by former students in California. And as we reported in the piece last night, the Texas Attorney General's Office had opened up an investigation into possible deceptive trade practices against Trump University, and only dropped it after Trump University told the state Attorney General's Office they would stop doing business in Texas. In effect, they dropped out of Texas entirely.

UYGUR: All right. Michael, stay with us, actually.

I want to bring in MSNBC political analyst Richard Wolffe to talk about this, too.

Richard, great having you here.

RICHARD WOLFFE, MSNBC POLITICAL ANALYST: Thanks, Cenk.

UYGUR: All right. Two of the guys that I have talked to the longest probably in my career.

All right. So, Richard, talk to us about the political implications here. I mean, the main selling point of Trump seems to be, I'm a great businessman. If there's some problems with that, is there big problems in his credibility as a politician?

WOLFFE: Well, to any reasonable person, if you piece together Mike's interview with Savannah's interview the other day, you have someone who isn't prepared on policy and doesn't have much of a business record. But that's actually not what his main platform is here.

His main platform is to be outrageous and to speak to that part of the Republican Party that wants something more and more extreme. In short, they want more change and not less change.

And so the more outrageous he is, the more he gets attacked by respectable media organizations and great reporters like Mike Isikoff, the better it is for him, because this isn't about credibility. It's who can say the most impressive things that speak to this sense of hurt and rage that they have.

And Republicans have to ask themselves, do they want to be as the Democrats were in 2004? Do they want to date someone like Dean and marry someone like Kerry, or do they want to stick with someone like Dean? If they stick with someone like Dean, they're going to have Donald Trump being a front-runner not just a year out from the nomination, but maybe a few months out from the nomination.

UYGUR: But, you know, I know that the Republican voters sometimes aren't really deeply attached to facts. But here, the facts seem to be something that they would be bothered by.

For example, when you go to Trump's record, yesterday we did a whole segment on how incredibly liberal positions he had back in 1999 -- nationalized health care, an enormous tax on the wealthy, et cetera. Now, on the bailouts, apparently he thought that TARP was worth a shot, that Henry Paulson should get an A, and that Ben

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Bernanke should get a B plus. And he thought the auto bailouts were swell. The government should stand behind them 100 percent, he said.

Now, Richard, the Tea Party can't be happy about that.

WOLFFE: Well, they are not. And of course we found in the last few weeks that Trump is willing to say anything, because, actually, the original position he had was the reasonable one.

It was President Bush's position. Paulson was obviously Bush's treasury secretary. And the policy worked.

But that's, of course, not what gets you the nomination now, not what gets you attention. And really, he has been propelled at this point, apart from the media interest, by going after the birth certificate, by being as outrageous as possible, questioning the authorship of "Dreams of My Father."

You know, it doesn't really matter what the policy position is, whether he's consistent. It's does he speak to that rage out there that 15 percent, 20 percent of the Republican Party is into?

It's not the majority of the Republican Party, but in a multi-candidate field. That's what puts you as the front-runner.

UYGUR: And Michael, you know, we've had a lot of polls on this now. And Trump is doing rather well in most of them.

The latest one is a McClatchy one, and he's at third, at 13 percent, which isn't bad. He's been at the top of some of the polls.

What was your sense? I think the question everybody is asking, is this guy for real? Is this all a show to get more attention for the Trump name, or do you think there's a real chance he's going to run here?

ISIKOFF: You know, it's funny, because after this, as you can see, often contentious interview, Trump actually invited me up to his office, upstairs, one floor up, and wanted to talk politics. And started asking me about people like Ralph Reed, who he's interviewing to be a campaign manager, what did I think of him.

And I pointed out that he had previously worked for Pat Robertson in the Christian coalition. And he said, "Yes, but that would be good in Iowa." You know, "That would be good in Iowa." Tony Fabrizio, a pollster who he's been talking to.

So, I've got to say, even though I know there's a lot of skepticism out there, and I think for good reason, I think he's taking this pretty far. And I think that's one reason you are seeing increasing nervousness on the part of Republican professionals like Karl Rove, which is why he came out with that comment that a Trump candidacy would be a joke. He doesn't want -- the Karl Roves of the Republican Party don't want Donald Trump sucking up all the oxygen.

UYGUR: Michael, that's a really interesting insight, because it goes to show you, after the interview, he still wants to talk to you.

ISIKOFF: Yes.

UYGUR: He's an amazing guy. And he seems to be pretty serious, as you said. I mean, getting down to Tony Fabrizio means he's getting pretty serious.

ISIKOFF: Yes, he's getting into the weeds.

UYGUR: Richard, the final question for you, real quick, how thrilled is the White House about this development?

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WOLFFE: Oh, this is second only to Sarah Palin.

By the way, Mike, make sure that he didn't ask you to raise a credit card limit as well when you go up to his office next time.

(LAUGHTER)

WOLFFE: But, you know, the White House would love to see this happen. This is not how you win the middle ground in America.

It just polarizes the Republican Party as a whole, as a brand. Karl Rove knows that if he's going to raise the millions he needs for his outside spending groups, he needs more respectable candidates in there, more realistic prospects to win.

You know, he tried to do the same when it came down to Christine O'Donnell, and that didn't work, either. Karl Rove is not going chase this out of the party. It looks to me that, again, given that choice the Democrats faced in 2004, they are going to go for the more extreme, less electable candidate, because it speaks to how they are feeling, at least, again, that 15 percent, 20 percent, which could be enough in this race.

UYGUR: All right.

NBC's national investigative correspondent, Michael Isikoff, with a great interview there, and MSNBC political analyst Richard Wolffe.

Thank you both.

WOLFFE: You bet.

ISIKOFF: Thank you.

UYGUR: All right.

Presidential hopefuls like Mitt Romney and Mike Huckabee have a big problem when it comes to taxes. We're going to show you their hypocrisy on that issue, and that's good.

Plus, Paul Ryan gets booed and hollered at by his own constituents. The Republicans have a popularity problem. I'll play you that tape.

And more on Donald Trump. He has an unlikely ally in birtherism (ph). But I'm not sure even he wants this guy's help.

(COMMERCIAL BREAK)

UYGUR: The GOP has a problem. Their party is pushing legislation that's just not popular. That would be a big, big problem in politics.

Their plan to effectively kill Medicare, well, it's a disaster. A newly released "Washington Post"/ABC News poll shows that 78 percent oppose cutting spending on Medicare in order to fix the debt. That is on top of many other polls that show the same exact thing. When are they going to realize that is unpopular?

As for the relentless push to keep tax cuts going for the wealthiest Americans, also not popular.

Just listen to Paul Ryan's constituents booing his plan at a town hall.

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(BEGIN VIDEO CLIP)

UNIDENTIFIED MALE: During this time of prosperity, the top one percent was talking about 10 percent of the total annual income, but yet today we are righting to not let the tax breaks for the wealthy expire?

REP. PAUL RYAN (R), WISCONSIN: We do tax the top.

(BOOING)

(END VIDEO CLIP)

UYGUR: Look, the guy who asked that question described himself as a lifelong conservative, but he's had it. He's unequal.

When he said, "We do tax the top," that's a lie. He brings down the taxes from the top from 35 percent to 25 percent. That's why they booed him, because they know it's not true.

And just look at this poll. Nationwide, 72 percent support raising taxes on those making over \$250,000 a year. That proposal has the majority support of Democrats, Independents and Republicans. Look at the number -- 54 percent of Republicans saying enough is enough, raise taxes on people making over \$250,000.

But despite all this, the 2012 GOP contenders are still denouncing Democrats as depraved tax-hikers. Now, let alone how unpopular that position is, they're also not telling the truth about their own record on the issue.

So let's take a look at the tax history of the top two Republicans that are likely to enter the presidential race.

First, Mitt Romney.

In this 2007 GOP presidential debate, Romney said that while Democrats wanted to raise taxes while he was Massachusetts governor, he put his foot down.

(BEGIN VIDEO CLIP)

MITT ROMNEY (R), FMR. MASSACHUSETTS GOVERNOR: The Democrats -- you probably know that Massachusetts is a bit of a Democratic state. The Democrats wanted to raise taxes. I said no way. And, in fact, we did not raise taxes on our citizens, and we lowered them across our state time and again.

(END VIDEO CLIP)

UYGUR: No way. Really? Well, then how do you explain this?

Andrew Romano of "The Daily Beast" reports that Romney raised a grand total of \$432 million in fee hikes on things like marriage licenses, drivers license renewals, gun permits -- oh my God -- community college tuition, and even bottle deposits. And he raised more than \$309 million annually by closing corporate tax loopholes.

Now, look, I like that policy, and it might have been necessary. But it was definitely tax increases.

Now, how about Mike Huckabee? During the former Arkansas governor's last presidential bid, he insisted that he cut taxes more than he raised them.

Just check out a portion of one of his campaign ads.

(BEGIN VIDEO CLIP)

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MIKE HUCKABEE (R), FMR. ARKANSAS GOVERNOR (voice-over): A nation is confused when it forgets who it is. And I don't think your value as a human being is found in your checking account.

(END VIDEO CLIP)

UYGUR: Yes, that's an interesting way to spin it, cut taxes over 90 times. Sure, he did. But did you know while governor, his tax increases outweighed the tax cuts by nearly \$500 million.

In fact, he had a number of targeted tax increases including a three percent income tax surcharge on individuals and corporations, three separate hikes on the state's sales tax, and taxes on cigarettes, tobacco and related permits. In fact, he was so pro-tax, that once while he was governor he actually begged the legislature to pass tax measures so that he could help make up the state's budget shortfall.

(BEGIN VIDEO CLIP)

HUCKABEE: There's a lot of support for a tax at the wholesale level for tobacco. And that's fine with me.

Now, some have suggested the retail level of tobacco. If that ends up being your preference, I will accept that.

Others have suggested a surcharge on the income tax. That's acceptable.

Yet others have suggested a hybrid that would collect some moneys from any one or a combination of those various ideas. And if that's the plan that the House and Senate agree on, then you will have nothing but my profound thanks.

(END VIDEO CLIP)

UYGUR: Interesting how much he liked all those different taxes. But funny that now he's not exactly offering up his profound thanks to President Obama for proposing to raise taxes on the rich. Funny how that works.

Joining me now is reporter for "The Washington Post" and MSNBC contributor Ezra Klein.

Ezra, two different things here. We've got the Medicare issue and we've got the tax issue.

First, on the Medicare issue, I think they might be done. This is what I mean by that -- are they really going up against this buzz saw again?

Unless the Democrats hand them a huge gift and somehow miraculously agree with them, there's no way they are going to be able to pass this. And at some point they have to get to give up, don't they? The American people just do not want it.

EZRA KLEIN, MSNBC CONTRIBUTOR: That was not a good poll for Paul Ryan. So, deeper into the poll, they did a very specific question on Paul Ryan's budget.

They said, you know, would you approve of Medicare being turned into a voucher program where the government gives you a voucher or a check -- so they were pretty careful with their language there -- to purchase private insurance? Sixty-five percent said no, that would be a terrible idea.

Then they said to the people who said yes, and what if you know, as the CBO projected, that that plan would mean the private Medicare costs would grow more quickly than traditional Medicare costs? Now 84 percent said no, don't do it.

So they are in a bit of trouble. And what compounds the trouble for them is that the Republican Party is more dependent on the senior vote than they ever have been before. The seniors went for them 59 percent in 2010. They were

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the only age group that voted Republican in 2008.

So they're at a bit of cross-purposes here with their core constituency. They want to make very unpopular changes to Medicare, but they rely on the very voters who rely on Medicare most.

UYGUR: And Ezra, I remember during the health care debate, they kept pointing to the polls and saying you have got to do what the American people want. I want Barack Obama. Do want the American people want.

When we look at that poll you quoted, when asked about that specific plan that Ryan has, 84 percent are against it.

Why won't the Republicans listen to the American people?

KLEIN: Right. This poll is much, much worse than the Affordable Care Act is. And look, you live by the sword, you die by the sword.

We have a representative democracy, and Paul and legislators should be able to propose things and try to persuade the American people that they are correct. That said, though we will need, I think, Medicare controls and cuts and reforms going forward. There are a lot of those in the Affordable Care Act and there are more yet in the president's budget.

The problem with Ryan's plan is the violence (ph) of them. They end up making Medicare more expensive because private insurance is more pricey than Medicare for the same insurance. And then they shift all these costs on to seniors.

So, it's fine to say we need to control costs in Medicare. That's really not what they are doing.

To go to people and say we need to privatize and shift costs in Medicare, that's not balancing the budget. That's pursuing an ideological agenda about the entitlement state under the cover of deficit reduction.

UYGUR: I love to make predictions. So here's one. They are going to throw this Ryan guy under a bus.

At some point they're going to say, what, us? No. Medicare? No that was Paul Ryan. No, that guy's crazy.

OK? That's my sense of it. Those numbers are too damaging to ignore.

But let's go to the tax issue, right? Huckabee, raising taxes tremendously. Romney, doing likewise.

Here. I'll give you another one, Tim Pawlenty. I mean, the number of taxes that he's raised is through the roof -- \$200 million when it comes to cigarette tax increase; \$109 million in corporate tax increase when he was governor of Minnesota, of course; \$2.7 billion in property tax increase. I'm getting tired of all these tax increases -- marriage license, college tuition, parking tickets, et cetera, et cetera.

How did these guys with a straight face say, oh, we are against raising taxes?

KLEIN: Let's name a couple more. Ronald Reagan, a number of tax increases after his 1981 tax cuts. George H. W. Bush, a very large spending cut and tax increase bill to balance the budget.

This is what you do when you're in charge. And to their credit, a lot of these state Republican governors who are now thinking about running for president knew that.

The problem is the Republican Party has developed as a sort of rhetorical litmus test a completely unrealistic vision of how you do fiscal policy in this country or in any other. And anybody who has actually had to balance the budget before, all these guys are having to come out and say, well, scratch, scratch, maybe we didn't do so good.

And the other point on this is that when you can't ever say you raised taxes, what you do is you raise things that are

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unnoticed taxes. So, you brought up user fees earlier, and a lot of those are really regressive.

Cigarette taxes, liquor taxes, hospital bed taxes, park fees, all the DMV fees, all these things that the rich don't notice, so they don't become as big a problem in the political system, end up being very, very regressive. But they end up being a way to hide their tax increases and call them a user fee. It's not better for the economy and it's not better for anyone else, but it's become a rhetorical go-to for them.

UYGUR: And I don't think it's a coincidence. It hits the poor and the middle class more. I mean, that's a Republican's dream. They love that.

So, I don't think it's an accident that happened, but what I'm amazed by is how brazen they are. They know they raised taxes and they come out in political ads and say, "I never raised taxes."

It's unbelievable to me. but I guess I should get used to Washington a little bit more.

All right. Ezra, it's been a great conversation, as always.

Ezra Klein from "The Washington Post."

Thanks for joining me tonight. I really appreciate it.

KLEIN: Thank you.

UYGUR: All right.

Now, coming up, Texas Governor Rick Perry once threatened to secede over federal money. So why is he asking billions of dollars in federal handouts now? Well, Rick Perry is our "Con Job of the Day," and that's next.

(COMMERCIAL BREAK)

UYGUR: And now for our con job of the day. We turn to Texas Governor Rick Perry's hypocrisy over federal spending. Wildfires are raging in Texas and on Sunday, Governor Perry asked President Obama to declare a federal disaster so the state could get federal money to help fight the fires. He wrote, quote, "I urge President Obama to approve our request quickly so Texans can continue receiving the resources and support they need as wildfires remain an ongoing threat." Now, these fires have burned hundreds of homes and more than a million acres of land. Texans certainly deserve that federal help. But it's interesting that Perry is asking for it. Two years ago, he was so adamant that the federal government was messing with Texas, he suggested that the state has the right to secede.

(BEGIN VIDEO CLIP)

GOV. RICK PERRY (R), TEXAS: It's time to draw the line in the saying and tell Washington that no longer are we going to accept their oppressive hand in the state of Texas. There is a point and time where you stand-up and say enough is enough.

(END VIDEO CLIP)

UYGUR: What happened? I thought the federal government was oppressive. Why are you asking for their help now? Perry's big beef at the time with Uncle Sam was that he thought stimulus funds would come with big strings attached. He initially tried to drown down some of the money calling the stimulus irresponsible.

(BEGIN VIDEO CLIP)

PERRY: I'm so concerned about the believe that is gained a foothold in our national consciousness, that the best

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and only way to solve our nation's problem is to drown them with this huge supply of taxpayer dollars.

(END VIDEO CLIP)

UYGUR: Yes, Perry was so concerned about the awful influence of the stimulus money, that he ended up using \$6.4 billion in stimulus aid to plug 97 percent of Texas' budget hole last year. Ninety seven percent. In fact, Texas relied more on stimulus money than any other state to balance the budget in 2010. Then of course, he bragged about how he balanced the budget. Look, I want to be clear. I think Perry should have taken the stimulus money and asked for help for the fires. But next time we bail you out, we would like a thank you rather than your smug hypocrisy. Rick Perry biting the hand that feeds and protects them is our con job of the day.

Now, a year ago today, this explosion on the Deep Water Horizon rig happened. So, what would happen if that exact accident happened today? Well, we'll tell you if they have improved anything on that front. Congressman Ed Markey led the charge investigating this disaster and he still fighting that fight in Congress, that's next.

(COMMERCIAL BREAK)

(BEGIN VIDEO CLIP)

PRES. BARACK OBAMA (D), UNITED STATES: We will absolutely continue to hold BP and any other responsible parties accountable. We have an obligation to investigate what went wrong and to determine what reforms are needed so that we never have to experience a crisis like this again.

(END VIDEO CLIP)

UYGUR: That was President Obama last June, promising to hold accountable anyone responsible for the worst oil spill in U.S. history. It was a year ago today that the explosion ripped through the Deep Water Horizon rigged killing 11 workers. Almost five million barrels of oil spewed into the gulf causing an environmental and economic crisis whose impact is still big felt. The scary thing is that it's hard to argue which much safer today, cannot report -- explosion. Lawmakers have proposed more than 100 different bills to improve government oversight. But they haven't passed a single major piece of oil spill legislation. As of today, oil companies still are not required to update their spill response plans ahead of receiving new permits to drill.

And unbelievably, rigs still depend as a last line of defense to stop blow out on the well, on exactly the same faulty machine called the blow up preventer that failed in the BP disaster. Last month, a government commission report found that the blow up preventer didn't failed because it was broken, it failed because of a fundamental design flaw. A flaw that still haunts blow up preventers today. This week, the Obama administration said, he's going to introduce new rules to improve the safety of those devices. But that's down the road. For now, it's business as usual.

Still, in recent months, officials have approved 46 new shallow water wells and ten permits for deep water drilling projects in the Gulf of Mexico. Projects just like the one in the gulf water disaster. That despite, Interior Secretary Ken Salazar statement this year, the systems that contain oil spills are still quote, "a work in progress." In other words, they are not ready. Maybe this shouldn't be a surprise since the drill baby drill crowd was pushing for new permits even when oil was still gushing from the well.

(BEGIN VIDEO CLIP)

SARAH PALIN, FORMER ALASKA GOVERNOR: We need to drill baby drill.

UNIDENTIFIED WOMAN: We must continue to drill.

UNIDENTIFIED MAN: If we lift the regulatory burdens and let people go and drill, we will end up with plentiful and cheap energy.

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(END VIDEO CLIP)

In the middle of the spill.

All right. With me now is Democratic Congressman from Massachusetts Ed Markey, he's the ranking democrat on the House Natural Resources Committee. And a member of the Energy and Commerce Committee. He warned this week that because of the lack of safety improvements, a disasters oil spill could happen again. Congressman, talk to me about how did this happen? How did we go a year and we don't have any piece of legislation on this at all?

REP. ED MARKEY (D), MASSACHUSETTS: Well, we passed the comprehensive safety bill in the House of Representatives when the Democrats controlled Congress last year, but the Republicans in the Senate killed it. Now, in 2011, as the Republicans control both the House and the Senate, no safety legislation has any chance of passing, even though the Blue Ribbon Independent Commission came back with a whole long list of things that should be put on the books to make drilling safer. Instead, they have revised history instead of revising the safety rules so that they can just say drill baby drill. And they have passed legislation now to open up drilling off of the California Coast, off of the East Coast of the United States, right up to Martha's vineyard and just kind of pretending that everything is safe and it's OK to go back on the water again and nothing really bad enough that would require a comprehensive review and change in safety regulations ever happened in the first place.

UYGUR: Congressman Markey, I have a theory as to why this might be happening. Let me show you some facts here. First, I want to show you the donations that BP has made to different Republicans and republican committees. They've given to Speaker Boehner, Majority Whip Kevin McCarthy, Ways and Means Chair Dave Camp, Energy and Commerce Committee Chair Fred Upton, National Republican Congressional Committee, National Republican Senatorial Committee. Gee, I wonder if that had an effect. And I want to give you a sense of the overall problem here. The oil and gas industry, they have done \$146 million in lobbying of the federal government and they spent \$28 million to directly give to federal campaigns. Any chance that that's part of the problem?

MARKEY: Look, not just this year but every year, GOP does not stand for the Grand Old Party, it stands for the gas and oil party. They, in their budget, did not cut any of the tax breaks for the oil companies even though at \$108 a barrel, they are poised to record some of the highest profits of all time. And they don't need those tax breaks anymore than a fish to swim or a bird to fly would need a subsidy. At the same time, in their budget, they slash the wind and solar and renewable energy budgets by 70 percent. And so, it's all part of a pattern where this rear-view mirrored you of how we should be generating energy in our country, not only wants to preserve itself from any new safety regulations that they have to comply with. But they aggressively go out to kill the alternatives that should be our future in the 21st century. So, the Republican Party adopts that agenda and legislatively, that is what they are trying to implement this year.

UYGUR: Well, Congressman Markey, it's funny you bring that up. Because BP was actually getting a subsidy on the Deep Water Horizon. It was a subsidy that gave them over \$200,000 a day. Why in the world -- they are not even an American company. Why are we giving them a subsidy for something that was so enormously profitable? And then when you turn to what can you do about protecting the American people, protecting the gulf, protecting the workers, well, apparently, the Republicans have three different bills out now. One is called putting the gulf back to work act, the other one is called restarting American offshore leasing now act. And the other once is reversing President Obama's offshore moratorium act. It appears that all three of these do not add actual protections, they take away protections. So, it look like we are going in the wrong direction.

MARKEY: Well, you know, this whole issue of what lessons we learned from the BP spill is something that is right at the heart of the energy agenda of the Republican Party. You know, right now, believe it or not, BP is arguing that instead of having to pay a \$20 billion fine that they should only have to pay a \$2.8 million fine. And they're saying they weren't negligent at all. And in fact, that's, we all know, why they hid the fact that it was not 1,000 barrels per day that were going on into the gulf, not 5,000 barrels per day, not 20,000 but 60,000 barrels a day. They were negligent

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right along the whole line. And what has happening here is that rather than making BP accountable, we are looking at ways of ultimately rewarding them.

And instead of trying to find alternative ways of generating electricity specially after Fukushima as well, the Republicans are out there, and believe it or not, in their budget that came out this year, they zeroed out the loan guarantees for the wind and solar industry even as they left them in for the nuclear industry and cut no tax breaks out that will going to the oil industry including BP.

UYGUR: Right.

MARKEY: So, that's the agenda. It's very clear what is going on. And that's why I think, once again, like Medicare, like Medicaid, they are stepping in it and the American public is going to fully understand what the real agenda of their party is.

UYGUR: Right. Well, of course. As Joe Biden literally apologized to BP when they're the once that caused the mess. So, we have seen this over and over again. Congressman Ed Markey, thank you for joining us tonight. We appreciate it.

MARKEY: Thank you for having me on.

UYGUR: All right. Now, I want to bring in Bob Cavnar. He's a 30 year veteran of the oil and gas industry. He's currently the CEO of Luca Technologies, which is in the natural gas industry. He's also the author of the book, "Disaster on the Horizon: High Stakes, High Risks, and the Story Behind the Deepwater Well Blowout."

All right. Bob, of course the question everybody is asking is, given the year that's gone by, can it still happen just like it did before?

BOB CAVNAR, FORMER OIL INDUSTRY EXECUTIVE: You know, what's so sad, Cenk is that with this being the first anniversary of the blow-out, no one is remembering the 11 men who were killed on the rig that day. And no one is talking about the damage that's ongoing in the gulf now. That everyone on the republican side are pushing to go back to drilling. And really, no improvements have been made. The only changes to regulation and to safety that's happened so far are those that have related to training and third party certification of the same equipment that failed on the Deep Water Horizon. So, we are issuing drilling permits to drilling companies that have the same equipment that failed so badly a year ago today.

UYGUR: Well, you know, when Ken Salazar said, you know, it's a work in progress, I knew we were in a world of trouble. That's why I keep going back to that quote. That means they're not ready. So, are we still using the same blow-out preventers? And I'm just amazed that the government says, yes, yes, yes, OK, just keep using the same thing that didn't work before.

CAVNAR: Yes.

UYGUR: How about is that?

CAVNAR: It's the same blow up preventer, Cenk. Same control system, same blow up preventer. Clearly, the -- is going to be better because of the attention that's been put on these devices. But you can't deny the fact that there was a failure in this blow-out preventer. Now, the forensics report that was given to the Department of Interior had a lot of questions about it. It raised almost more questions than it answered. But we still don't know why that device failed, why it didn't close. There's a lot of speculation. But we are going back to work with that very same device, with the very same blanch -- and the same set up as what failed before.

UYGUR: All right. And, you know, they did an oil spill commission and then they didn't do any of the things that

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they recommended. Even one of a former Republicans that were on the commission, former E.P.A. administrator for George H. W. Bush couldn't believe it. But now, they do have these three pieces of legislation that we just ask Congressman Markey about, that -- has put together. Does that help or hurt the situation here?

CAVNAR: Well, it's just incredibly damaging. Instead of spending time working on increasing the budget for the BOEMRA (ph) which is the new agency that oversees offshore drilling and increasing safety regulation and raising standards for drilling, we are wasting time talking about going back to drilling, expanding into Virginia off the coast of California. And all of these areas that won't help gasoline prices at all in any form or fashion for ten or 15 years. And we're distracting ourselves from protecting the people who work out there and protecting the environment that we so damaged last year.

UYGUR: All right. Bob Cavnar. Thank you for your time tonight.

CAVNAR: Great to be with you, Cenk.

UYGUR: All right. Now, ahead. Republicans are attacking Donald Trump but he's found a new birther ally. Charlie Sheen. Disaster. Wait until you hear what Charlie says.

(COMMERCIAL BREAK)

Charlie Sheen, Donald Trump and birtherism. But he also attacks Sarah Palin. And why Republicans are socialists? When we come back.

(COMMERCIAL BREAK)

UYGUR: It's April 20th, 4/20, what some are calling weed day. And support for legalizing marijuana has never been higher. A recent pew polls shows 45 percent of people think buy it should be illegal. Fifty percent are still against it. But take a look at how much public opinion has changed over the last 20 years. There's been more than a 30-point swing to the pro-legalization side. We are gaining on them. Now, raise your hand if you think that we are going to win the war on drugs. None of you, right?

We have wasted billions of dollars imprisoned millions of people on a useless counterproductive so-called war. And by the way, if it is a war, the war on drugs makes Vietnam look winnable, legalize it already. Now, unfortunately, one guy who -- me is Charlie Sheen. To be fair, he is high on the drug. Charlie Sheen, which I think should be illegal. Last night, during his road show in D.C., he said if he were president, he would make pot legal. Could you imagine if Charlie Sheen was president?

Well, to make matters how much worse, she has now joined Donald Trump on the birther bandwagon. He was talking about chances of beating President Obama in the 2012 election. He said, quote, "for starters, I was F-ing born here. How about that? And I got proof. Nothing photoshopped about my birth certificate." Which would make him the same as Barack Obama. But maybe when Trump has said, enough for pretending to run for president, he and Sheen can go on the road together. That would be fun. Last night, Sheen also talked about leading Sarah Palin in a presidential poll, bragging the poll, quote, "had me annihilating that lunatic from Alaska."

OK. Not high as Sarah Palin. There actually was a poll about that a month ago, and it showed Sheen beating Palin among Democrats and Independents. But Republicans supports still put her ahead by just a little bit. That's damning with faint praise. Believe it or not, Republicans love socialism. I'll explain that, next.

(COMMERCIAL BREAK)

UYGUR: Republicans will often claim that they hate socialism. But in fact, Republicans love socialism. They just like a peculiar brand of it. They love to privatize the gains but socialize the losses. Now, there are two great examples of

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that in the news today. Earlier in the show, we talked about how oil drilling companies haven't really figured out how to get the blow-out preventers to work with consistency. And don't have a good plan if another spill like the Deep Water Horizon happens. Now, did you know that half of the companies who are working in the gulf don't have enough money to pay for the damages if they cause a spill like BP did?

So, if it happens to them the next time, they would likely declare bankruptcy and dump the cost on to you, the American taxpayer. So, they keep the gains as long as everything is going well, but immediately go to the socialist model if there are significant losses. So, you never see any of the upside but you bear most of the downside. This is socialism turned on its head. And it's for the benefit of the richest and most powerful people and companies in this country and throughout the world. The second grade example of that on the news today is what's happening in the banking industry.

The Standard and Poor just came out with a report that says, we are not at all prepared for the next financial collapse. That next time around, it will cost the U.S., 34 percent of our GDP. That's gigantic. That would mean losses of \$5 trillion. The report states, quote, "We believe the risk from the U.S. financial sector are higher than we considered them to be before 2008. Oh, come on, that's a disaster. Now, let me ask you a question, are you sharing in any of the profits of the banks right now? Oh, you're not? Surprising. Well, because that's privatized. But the minute they cause another financial calamity, guess who they are going to turn to to bear the cost? Yes, you.

The Republican Party is the biggest enabler and supporter of this model. Sure, there are plenty of guilty Democrats as well. But the Republican Party is the one clearly pushing to deregulate the oil drilling and banking industries, so that there's no check on how much risk they can take, how much money they can make and how much of that risk they can dump on your lap. Don't let them get away with it. Thanks for watching the show. "HARDBALL" is up next.

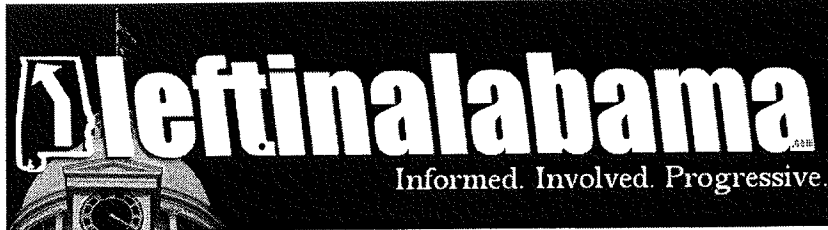
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On Universities And Such, Or, If Obama's A Kettle, Is Donald Trump Black?

by: fake consultant
 Sun May 01, 2011 at 05:04:20 AM CDT

(- promoted by mooncat)

Just about 40 seconds after (Yes, He's Actually The) President Barack Obama brought forth his Certificate of Live Birth unto the world Donald Trump was accusing Obama of somehow sneaking his way into some University or another.

If Trump's to be believed, Obama was a terrible student at a College, and then he somehow snuck his way into a University; after that he basically gifted his way into becoming the President of the Harvard Law Review.

Trump would tell you that he's a hustler, that Obama is, and we've got to do whatever it takes to figure out what kind of semi-illegal shenanigans Obama's University experience was all about.

But here's the thing: Donald Trump has his own history of semi-illegal University shenanigans-and it appears that some of his semi-illegal shenanigans continue to this very day.

fake consultant :: On Universities And Such, Or, If Obama's A Kettle, Is Donald Trump Black?

"I don't lie. When I speak, I believe it to be true. One week later, it may no longer be."

--French raconteur Bernard Tapie

So here's the deal: just like there are people who want to **Be Like Mike**, there are those who wish to emulate The Donald; in 2005 it was **announced** that Trump University would be formed to help make that possible (the name was **trademarked** in 2004).

According to the announcement, the University:

"...will offer a rich mix of products and services, including online e-learning courses, multimedia home study programs, and a series of publications. These diverse offerings are geared to a broad range of consumers, from small business owners and entrepreneurs to investors and other professionals looking to advance their careers and to create wealth. Trump University's innovative, world-class business curriculum will be designed according to the Learning by Doing method. Content will be delivered through interactive learning experiences, including evaluating business plans, simulating real estate purchases, and developing marketing strategies."

You first meet the "Admissions Office" by either signing up online or by attending one of Trump U's **free one-day seminars**-and the Admissions Office is looking to get you to sign up for the **\$1495 three-day "conference"**.

If you do, you are, according to those who've been there, instructed to immediately increase the credit limits on your credit cards (immediately as in during the next coffee break), so that you might take advantage of the real estate investment opportunities you're going to be turned on to at the end of the weekend.

But it appears that investment opportunities aren't what end up being presented to the conference attendees. Instead, they're being presented with the opportunity to invest in more courses, this time for numbers ranging from **\$9,500 to \$35,000**.

If you jump in for the full package, you're told that it's "the next best thing to being Trump's Apprentice", and, thanks to your personal mentor (you'll have a year's access to this service), you'll be connected to Realtors, contractors, and other investors (a "Power Team"); all this will allow you to become a Real Estate Professional, doing profitable real estate deals, just as Trump does.

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Big Government Republicans in Alabama
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During debate on SB 256, a bill to expand immigration enforcement by Alabama's state and local agencies, Senator Paul Sanford (R - Madison) succeeded in stripping an expansion of police powers to the state Homeland Security Department only to see his own majority rush Senators from a committee room to reconsider and quash his amendment.

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You'll make enough on your very first deal, it is claimed, to pay for the entire \$35,000 course.

(There are other courses as well, including one known as the **CEO Success Codes**, intended to help you "Learn how to run your business The Trump Way".)

What *is* the Trump Way, precisely?

Here's how Stephen Goff, one of the Trump U trainers, **lays it out**, as described in a Houston Chronicle article:

You find a property worth \$200,000, but the owner's willing to take \$125,000. Why?" Pause. "Because he's in trouble."

You put in an offer, even if you don't have the money. Then you sign a contract, giving yourself 60 days to close. The next day, you put an ad in the paper, advertising the \$200,000 property for \$150,000. You get that money - in cash - before the 60 days is up, and voila: \$25,000 profit without putting down a penny of your own money.

The same article quotes an expert who suggests that this strategy:

"...can be done, but it's also just as easy for me to audition for American Idol and become the next Justin Timberlake..."

Fun Fact: in his book **"Trump University Real Estate 101: Building Wealth With Real Estate Investments"**, Dr. Gary Eldred, the Real Estate Mastery Program "Content Expert" for Trump U, quotes The Donald thusly:

"The worst things in history have happened when people stop thinking for themselves, especially when they allow themselves to be influenced by negative people. That's what gives rise to dictators. Avoid that error at all costs..."

...People who take responsibility have no need to blame others or to be continually finding fault. The naysayers never manage to contribute much and never amount to much either. Don't join their club. They're the lowest common denominator.

I knew a guy that I used to call up just to see who and what he would be *blaming* that day. I don't think that guy ever thought he had personally made a single mistake in his entire life. From day one, nothing was ever his fault. His biggest blind spot was himself, and, sad to say, he became a total loser because he never thought of the remedy for his biggest failure: himself..." (emphasis is original)

There is a bit more to this story than we have revealed so far: a lot of the information I discovered about the University came from documents related to a **lawsuit**, filed in 2010 by former students Tarla Makaeff, Brandon Keller, Ed Oberkrom, and Patricia Murphy; that suit is today seeking class-action certification on behalf of all Trump U "students".

The Plaintiffs allege that Trump U doesn't live up to its own hype, that Trump is not involved personally, that the expensive seminars offer no real value (a trip to Home Depot to view building supplies is reportedly part of one seminar), and that the mentors and the "Power Teams" either disappear completely after the three-day course ends, or they appear to offer deals that are self-serving and marred by conflicts of interest-and all of that means no "one year apprenticeship", followed by tons of income every month, which is what the courses seemed to promise in the first place.

(Page 24 of the complaint shows an image of the Trump U homepage, with a picture of The Oddly Haired One next to the words "'Are YOU My Next Apprentice? Prove it to me!'")

There was also a signed letter sent to potential enrollees:

...You can do it, even if you only have five or ten hours a week to spare. With our simple instructions and practice exercises - *and ongoing support from your own Trump Team of Experts - you'll have what you need to succeed!*" (Emphasis in original). The letter closes with Donald J. Trump's name, signature, and at the Trump University address, at 40 Wall Street, 32nd Floor, New York, NY 10005.

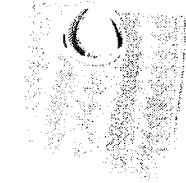
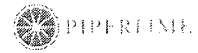
It is also alleged that efforts made to obtain promised refunds have come to naught; the refunds are apparently always "just about to be issued", or the appropriate person is never available to answer the calls that are coming in seeking information about refunds.

Trump University **countersued**, claiming various forms of defamation; the action is being defended as a **SLAPP suit**.

(For the record, it's easy to find Web pages with **complaints** about Trump U; those complaints, for the most part, mirror those in the lawsuit.)

This whole real-estate hustle turned educational hustle has caused a reaction from the world beyond Trump; that's something he noted in his Trump U blog:

Recently Gary Trudeau spent a week lampooning Trump University in his comic strip



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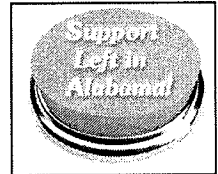
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Doonesbury. The basic premise of each strip in the series revolved around the disparity between Trump University and a traditional university. . . . Trump University has also been mocked in one of Jay Leno's monologues, in the New York Post's Page Six cartoon, and probably in a lot of other places.

It's nice to see that my new venture is making a splash in popular culture.
As they say, no press is bad press. (emphasis is original)

(Doonesbury's **August 8th, 2010** edition is one of those comics which mentions Trump's "school".)

The New York State Education Department informed Trump that an educational institution with no degree-granting programs and no differentiated graduate and undergraduate divisions can't be a University; as a result Trump University is now known as **The Trump Entrepreneur Initiative**.

(Despite the State's order, the Trump University name seems to have lived on, however: **The Trump Store** website, as of the time this was written, still sells "Trump University Audio Books" and "Trump University Books" and "Trump University DVD and Audio Packages".)

And remember Gary Eldred, Trump's "Content Expert"? It turns out he has a few credibility problems of his own: he **co-hosted a radio show** with another expert in running a successful real estate development business, Fredric "Rick" Dryer-and in July of 2008, we found out the secret of how Dryer was able to be so successful.

He was convicted on **44 counts of real estate fraud**.

So that's our story for today: Donald Trump couldn't wait to trash Barack Obama's University experience, but Trump has some experience of his own regarding Universities-and from what we can see, when Trump opens a University, unsavory practices and questionable associations and lawsuits and regulatory actions follow in his path.

That's no way to run a University, and, more to the point, it looks like The Trump Way is no way to run a country-except for maybe Blowhardistan.

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...at the white house correspondents dinner might actually have constituted cruel and unusual punishment--but you can judge for yourself, **right here**--and see if you can't discern ed schultz laughing in the background.

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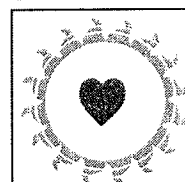
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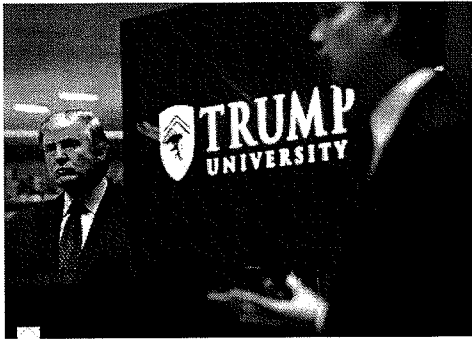
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Trump real estate courses didn't deliver, suit says

Carla Marinucci, Chronicle Political Writer
Thursday, May 5, 2011

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Bebeto Matthews / ASSOCIATED PRESS
Real estate mogul and TV star Donald Trump, left, listens as Michael Sexton introduces him to announce the establishment of Trump University at a press conference in New York, Monday May 23, 2005. Sexton, who is president and co-founder of the business education company, will lead a team of scholars from Northwestern, Columbia and Dartmouth universities in providing programs for business professionals. (AP Photo/Bebeto Matthews)

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"There wouldn't even be a lawsuit if the Trump name weren't attached to it," he said.

But Tarla Makaef, 37, a former fashion designer and marketer from Corona del Mar (Orange County), told The Chronicle in an interview this week that Trump's "university" was hardly worthy of the name.

'It's got to be legit'

Makaef said that she was lured by ads starring Trump and boasting that "76 percent of the world's millionaires made their fortune in real estate. Now it's your turn."

"I bought into it because of the Trump name," Makaef said. "I thought, 'It's got to be legit.'"

(05-04) 18:55 PDT 57
SAN FRANCISCO --
Before Donald Trump sold the idea of a possible 2012 presidential bid, the bombastic real estate mogul peddled the American dream at a place called Trump University. He promised consumers the golden opportunity to be "my next apprentice" and learn "insider" secrets of real estate.

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But a lawsuit filed in U.S. District Court in San Diego claims that the possible GOP presidential

candidate's courses instead delivered expensive "infomercials" disguised as educational classes that preyed on vulnerable Americans in "troubled economic times."

George Sorial, assistant general counsel for the Trump Organization, told The Chronicle this week that the allegations contained in the suit are "completely ridiculous," adding that Trump University stands "100 percent behind any course we offered."

Sorial dismissed the lawsuit as an effort by two former students and their attorneys "looking to make a quick buck" from the celebrity businessman.

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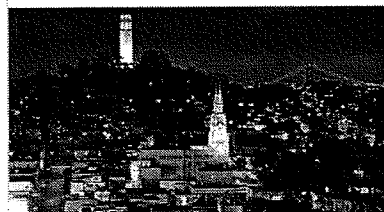
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Instead, she said she was pressured to raise her credit card limits to drop \$35,000 on a "Trump gold elite" course promising "hand-picked" mentors and "comprehensive" real estate education. She charged in the lawsuit that she was instructed in techniques such as putting up "bandit" telephone pole signs advertising cheap homes for sale - signs that are illegal in Orange County.

The lawsuit that includes Makaeff and Brandon Keller, 35, an unemployed San Diego man, was filed in April 2010 and was amended in December to name Trump himself. The suit alleges consumer fraud.

Attorneys for Trump, who this week said he has decided "in my mind" to run for president, have asked that the suit be dismissed, saying it has "no merit." A ruling is expected in the coming weeks.

Sorial said Trump University's consumer surveys showed "98 percent of the students who took the courses were satisfied."

But with Trump teasing a presidential bid, consumer advocates say the lawsuit could put his business and legal dealings under the microscope.

'It's The Donald'

"This isn't just some schemer on late-night TV; it's The Donald," said Doug Heller, who heads the nonprofit Consumer Watchdog in Santa Monica. "What is so unique about Trump is how completely interwoven everything he does with his own money-making schemes. You almost don't know if it's a TV show or a marketing gig or a presidential run."

Trump University, which was not accredited and offered no degrees or college credits, changed its name in June 2010 to the Trump Entrepreneur Initiative. Trump remains chairman of the New York-based organization.

Sorial said 11,000 students in Canada and the United States have taken paid courses from Trump University, but he added that Trump is "not responsible for running the day-to-day affairs" of the organization.

Still, when he founded it in June 2005, Trump assured readers of his official blog that he would be directly involved in Trump University: "I'm not just putting my name on this venture. ... I plan to be an active presence in the curricula."

Makaeff said she had a slumping Southern California business and a \$5,000-a-month mortgage when she signed up for a \$1,500 real estate course that promised to provide the "Trump power team" to help her "learn from the master."

She said she was initially wowed by the seminar where huge pictures of Trump - and strains of the song "Money" - greeted attendees who were told that being a real estate mogul was "so easy ... that anyone can do it."

At the end of the seminar, she said she yielded to "high-pressure" pitches to spend \$35,000 for the Trump gold elite course. Makaeff said she completed the course with nothing but a hefty credit card bill.

'Hopefulness and naivete'

Sorial said the lawsuit represents a few people "who took the course out of thousands" and argued that even at top-notch institutions such as Harvard, "you're going to find a small number of people who went there and said they got a lousy education."

He added that Makaeff gave the seminars high marks in her evaluation forms - and said she was interviewed in a video in which she praised Trump University mentors for helping her learn the business.

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Makaeff's attorney, Amber Eck, said that her client's rosy evaluations reflected the hopes of an optimistic student who didn't want to admit - or didn't yet see - she might be getting scammed.

"At (that) point, they still think they're going to get what is promised," she said. "They don't realize until later - that never occurs."

Heller of Consumer Watchdog said the lawsuit suggests Trump's marketing of real estate education may reflect "a problem that needs attention" by watchdog groups or authorities.


He said many "get-rich-quick conferences" depend "on a certain hopefulness and naivete that gets people in the door."

The message, he said, is: "Forget the one-year training and certificate. Just come for the weekend and open up your wallet."

E-mail Carla Marinucci at cmarinucci@sfgchronicle.com.

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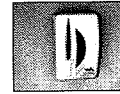
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Trump's 'University' Accused Of Scamming Customers

First Posted: 05/ 6/11 02:40 PM ET Updated: 05/ 6/11 11:03 PM ET

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NEW YORK -- Along with touting his wealth and business acumen, real estate mogul Donald Trump has long portrayed himself as an educator, who is ready and willing to impart the knowledge that can turn any motivated person into a multimillionaire.

On top of the millions who watch his prime-time smash hit, "Celebrity Apprentice," thousands have enrolled in seminars with Trump University in order to better learn his money-making real estate sales methods. The educational program, launched in 2005, promises mentorships that are "the next best thing" to being Trump's apprentice.

In speeches across the country, the potential 2012 GOP presidential candidate touts the importance of education. Trump has decried the state of our public schools and mocked President Barack Obama's academic credentials.

"I'm deeply and actively involved in Trump University because I firmly believe in the power of education and its function as an engine of success," he wrote in "Trump 101: The Way to Success." "I want to help people, and, simply put, the Trump University students want to be successful. I'm on their side."


Yet Trump's credentials as an educator may be undercut by the recent history of his so-called university. The for-profit institution is the target of a class-action lawsuit in federal court and the attorneys general of six states are investigating numerous complaints about it.

Last year in New York, Trump University was forced to change its name by the Department of Education. State officials sent the mogul a tough letter saying that it was misleading for his company to use the term "university." Several months earlier, the Better Business Bureau gave the program a D-minus rating. The BBB is also currently reviewing several complaints against the renamed Trump Entrepreneur Initiative.

Real-estate seminars like the one Trump operates have sometimes enriched thousands of motivated entrepreneurs, eager to flip houses and make extra money. But some high-profile hucksters have been indicted for fraud, putting the industry in a bad light.

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"Generically speaking, these are modern-day snake-oil salesmen," says Doug Heller, the executive director of Consumer Watchdog. He says that such "get-rich-quick schemes" use hard-sell techniques that play on people's hopes and fears. Trump's name recognition increases the lure and has the potential to deceive vulnerable people struggling in a poor economy into thinking that instant wealth is around the corner, he adds.

"With his TV show and even some of the kitschy products, the consumer loss is minimal," Heller says. "You'll never get that hour of 'Apprentice' back but that's a lot different than 35 grand. And unlike throwing away \$35,000 at the Trump casino, where you know the odds, these conferences are sold as sure things."

Since 2005, over 11,000 people have attended one of his high-profile real-estate seminars. These often feature 20-foot-tall posters of Trump, speakers blasting the O'Jays' "For the Love of Money" and lecturers promising to impart "insider secrets" to those who are willing to fork over thousands of dollars. Trump's lawyers claim that the seminars have a customer satisfaction rate over 95 percent.

Some former customers disagree. They claim that the courses are just expensive "infomercials" that provide "empty promises" at a cost of tens of thousands of dollars.

"The primary lesson Trump University teaches its students is how to spend more money buying more Trump seminars," says a complaint filed in U.S. District Court in San Diego.

Tarla Makaef is a former fashion designer from Corona del Mar, Calif. and lead plaintiff in the class-action lawsuit. Makaef says that she was convinced to attend the seminars by ads featuring Trump. Three-quarters of the world's millionaires "made their fortune in real estate," the promos boasted. "Now it's your turn."

But soon, Makaef was pressured to raise her credit card limits so she could purchase the Trump Gold Program for \$35,000, which promised "hand-picked" mentors and a year of training. Instead, she spent two days looking at real estate properties and a half day at a local Home Depot, after which the mentors "quickly disappeared," Makaef said. In addition, she claims the seminars taught her to snatch up cheap homes by using "bandit signs," which are ads placed along the side of roads -- a practice that is illegal in California and other states.

Her lawsuit alleges that Trump University's mentors and associates "guide students toward deals in which they have a personal financial interest at stake -- creating a severe conflict of interest, so that the mentors profit while the student does not."

Another plaintiff in the suit, Ed Oberkrom, a 66-year-old retired computer technician living in St. Louis, says that he and a friend each dropped \$25,000 on a similar Trump program. It promised access to "exclusive" property listings and the guidance of mentors. But Oberkrom told The Huffington Post that the listings were available elsewhere online for \$35, Trump University staffers gave him the brush-off, and he didn't get his money back, due to a three-day window on refunds.

"It's a fly-by-night outfit and I feel cheated," he says. "What is really aggravating is that Trump is noted for real estate, and that's what attracted me in the first place."

TRUMP FIRES BACK

A lawyer for Trump strongly denies the allegations.

"It's completely ridiculous," says George Sorial, assistant general counsel for the Trump Organization. "This case has absolutely no merit and we're confident that we can defeat this in court."

Sorial provided to HuffPost three separate surveys in which Makaef rated the program 5 out of 5 and he shared a video taken at a seminar of her praising Trump University.

"I thought today was great. I was very interested in some of the topics," she says in the August 2008 video. "The speakers were really good. It was nice." Makaef also lauds her mentor, describing how they recently rehabbed and flipped a property in Las Vegas, adding that "he's great -- he's really helping me work through things."

Trump has filed a \$100 million counterclaim for defamation against Makaeff. The suit says that she made defamatory statements about Trump University engaging in "illegal predatory high pressure tactics" and "blatant lies," among many others. The organization alleges that such statements caused a "significant decline" in business, though Sorial declined to get into specifics.

The defamation counterclaim "is nothing more than a class intimidation tactic by a bully," replied Makaeff's lawyer, Rachel Jensen. "It's shameful that Donald Trump's so-called 'University' would sue one of its own students for a million dollars simply for expressing dissatisfaction to the Better Business Bureau and her bank challenging the credit card charges. The counterclaim adds insult to injury as it blames the victim of Trump's scam."

Some real-estate investors say that Trump's seminars can be useful. "I've attended a lot of these seminars and Trump's was above average," says Adil Bagirov, an energy consultant in Alexandria, Va. "It wasn't the most effective, but I learned some things, and I've been very successful," he says.

Bagirov did, however, note that the industry is prone to fraud and that he's met people who have "been screwed" by unscrupulous instructors.

Vulnerable people can be particularly attracted to such seminars.

One of Trump University's customers was Maurice Clemmons, the felon who was notoriously paroled by former Arkansas governor Mike Huckabee in 2000 and ended up killing four police officers in Washington state in December 2009. After taking a 90-minute seminar, Clemmons became obsessed with Trump and the mogul's advice, even selling his house to raise money to invest in distressed real estate, reported the *Seattle Times*. Shortly before going to jail for assaulting a police officer and raping a child in 2009, he signed up for the \$1,495 three-day workshop and eventually sent his wife in his place.

"Who knows what the next day could bring?" Clemmons told her from jail. "Today, I'm sitting in here, looking at this wall. Tomorrow we could be multimillionaires." He talked about how they would strike it rich and treat each other to Bentleys and a Mercedes-Benz. Even after his brother-in-law became disillusioned and called the program a "hustle," Clemmons was still a believer and considered offering a postdated check for \$70,000 to sign up the couple for the school's gold program before his life completely spiraled out of control.

The school is under scrutiny in several states, including Texas. After getting 30 complaints about Trump University from the Better Business Bureau in 2008 and 2009, the state attorney general, Greg Abbott, initiated a probe into possible "deceptive trade practices." Early last year, his office sent a civil investigative demand letter to the company, requesting copies of documents, including real estate contracts negotiated by Stephen Goff, one of Trump University's most prominent instructors. The Trump Organization ultimately decided not to conduct any seminars in the state.

Trump lawyer Sorial says that those complaints have been addressed and that the Texas attorney general never took action against the company: "If you took 11,000 students, you'll find a handful that weren't happy with their education," saying that the same ratio occurs at Ivy League schools like Harvard University.

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Buying a Trump Property, or So They Thought



A billboard for a failed real estate project in Mexico to which Donald J. Trump licensed his name.

By MICHAEL BARBARO
Published: May 12, 2011

For many middle-class Americans, it is the most coveted brand in real estate, synonymous with sky-piercing luxury and can't-miss quality: Donald J. Trump.

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Part of the property in Baja California, Mexico, where a building was planned that would carry Mr. Trump's name. Financing was frozen in 2008 and little construction was done.

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Far from the New York City towers that bear his name, in cities like Tampa, Fla., and Philadelphia, house hunters clamor to buy into his developments, sometimes exhausting credit lines and wiping out savings for a chance to own a piece of his gilded empire.

But as Mr. Trump, who is weighing a bid for the White House, has zealously sought to cash in on his name, he has entered into arrangements that home buyers describe as deliberately deceptive — designed, they said, to exploit the very thing that drew them to his buildings: their faith in him.

Over the last few years, according to interviews and hundreds of pages of court documents, the real estate

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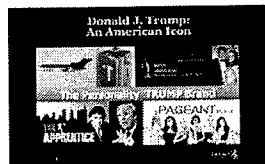
David Becker/Getty Images
Donald J. Trump spoke to Republican women's groups in Las Vegas in April. He has been exploring a White House run.

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Sandy Muller for The New York Times
Donald J. Trump is among the Baja buyers suing Mr. Trump. He lost a deposit of \$147,000.

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An image from an online seminar with Trump University, a for-profit school the developer opened in 2005.

Fort Lauderdale, a waterfront property that Mr. Trump described in marketing materials as "my latest development" and compared to the Trump tower on Central Park in Manhattan.

"There was no disclaimer that he was not the developer," Mr. Davis said. The building, where construction was halted when a major lender ran out of money in 2009, sits empty and unfinished, the outlines of a giant Trump sign, removed long ago, still faintly visible.

Mr. Davis is unable to recover any of his \$100,000 deposit — half of which the developer used for construction costs.

Another casualty: his admiration for Mr. Trump, whose books and television show Mr. Davis had devoured. "I bought into an idea of him," he said, "and it wasn't what I thought it was."

Alan Garten, a lawyer for Mr. Trump's company, said that, regardless of what Mr. Trump himself or any marketing materials had suggested, his role was disclosed in lengthy purchasing documents that buyers should have carefully scrutinized. But in an interview, Mr. Garten acknowledged that, "without a lawyer, it can be difficult" to understand such documents. He suggested that the housing market collapse, not Mr. Trump, was the cause of their troubles.

"They are people who lost money and are looking for somebody to blame," Mr. Garten said.

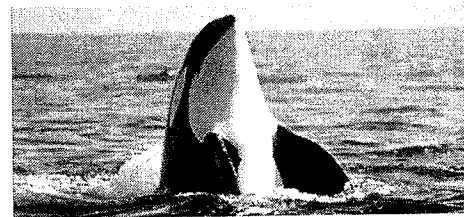
Mr. Trump's Midas touch as a businessman, sometimes real, other times perceived, is central to his presidential aspirations, which have become increasingly hard for Republicans to ignore, even as some of them cringe at his blunt remarks and boastfulness. In the next month, he is scheduled to visit two key primary-season states, South Carolina and Iowa, as he further tests the waters. "I have made myself very rich," he said recently, sitting in his palatial suite at the Trump International Hotel in Las Vegas. "And I would make this country very rich."

mogul has aggressively marketed several luxury high-rises as "Trump properties" or "signature Trump" buildings, with names like Trump Tower and Trump International — even making appearances at the properties to woo buyers. The strong indication of his involvement as a developer generated waves of media attention and commanded premium prices.

But when three of the planned buildings encountered financial trouble, it became clear that Mr. Trump had essentially rented his name to the developments and had no responsibility for their outcomes, according to buyers. In each case, he yanked his name off the projects, which were never completed. The buyers lost millions of dollars in deposits even as Mr. Trump pocketed hefty license fees.

Those who bought the apartments in part because of the Trump name were livid, saying they felt a profound sense of betrayal, and more than 300 of them are now suing Mr. Trump or his company.

"The last thing you ever expect is that somebody you revere will mislead you," said Alex Davis, 38, who bought a \$500,000 unit in Trump International Hotel and Tower



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But regardless of whether Mr. Trump ultimately seeks the presidency, his attempt to promote himself as a savvy financial manager who can lead America out of its economic rut is bringing new scrutiny to his own business practices.

Despite high-profile stumbles, like the bankruptcy of Atlantic City casinos bearing his name, Mr. Trump has nurtured plenty of successful projects, in real estate and beyond: memberships to his golf clubs sell briskly, his men's suits are a hit at Macy's, and his NBC series, "The Apprentice," is a ratings smash. Mr. Trump, in an interview, said the show had earned him well over \$100 million.

Yet in recent years, as his brand has experienced an "Apprentice"-fueled resurgence, it appears that Mr. Trump, 64, has taken an expansive approach to putting his name on products big and small. There are Trump mattresses, Trump ties, Trump video games, Trump bottled water and Trump chocolates (designed to resemble bars of gold, silver and copper.)

But it is Mr. Trump's real estate and education products that have enticed many Americans to invest life savings and dreams of quick riches. And it is with these products, according to a string of lawsuits and complaints filed around the country, that Mr. Trump has disappointed his fans most deeply.

Opening a 'University'

As the American housing market climbed toward its peak, in 2005, Mr. Trump opened a for-profit school, called Trump University, to impart his wisdom about real estate and moneymaking to the general public.

In marketing materials, he promised students that his handpicked team of instructors would "teach you better than the best business school," according to the transcript of a Web video. The same year, Mr. Trump licensed his name to an affiliated program, called the Trump Institute, which offered similar classes.

Dozens of complaints about both schools have rolled into the offices of attorneys general in Florida, Texas, New York and Illinois, officials said. And last year, the Better Business Bureau gave Trump University a D-minus, the second-lowest grade on its scale, after it fielded 23 complaints.

A lawsuit filed in 2010 by four dissatisfied former students, who are seeking class-action status, accuses Trump University of offering classes that amounted to extended "infomercials," "selling nonaccredited products," and "taking advantage of these troubled economic times to prey on consumers' fears."

According to the court papers, the university used high-pressure sales tactics to enroll students in classes that cost up to \$35,000, at times encouraging them to raise their credit card limits to pay for them. It promised intensive one-on-one instruction that often failed to materialize. And its mentors recommended investments from which they stood to profit.

"It was almost completely worthless," said Jeffrey Tufenkian, 49, who along with his wife, Sona, enrolled in a \$35,000 "Gold Elite" class at Trump University to jump-start a career in real estate.

Mr. Tufenkian, who lives in Portland, Ore., was especially drawn to what Trump University described as a year-long mentorship. But he said that it amounted to a real estate expert from California taking him on a tour of homes in Portland that he could have seen on his own, for free.

At one point, he said, the mentor suggested an educational trip to Home Depot, an idea he

found comical; at another, he said, the mentor recommended a sales technique (selling the option to buy a house), that several lawyers later told Mr. Tufenkian he was ineligible to perform because he lacked a real estate license. He recalled how, during a much cheaper Trump class on foreclosure, he and his wife were encouraged by instructors to raise their credit card limits, ostensibly in anticipation of investing in real estate, only to have the accounts maxed out with the purchase of the next \$35,000 class, a charge mirrored in the lawsuit. The fee, and the resulting credit card interest payments, have wiped out much of the couple's savings. Mr. Tufenkian's requests for a refund have been rejected.

"You can understand how a business makes mistakes," he said, "but a proper business will do what it takes to make it right. Trump University has no interest in taking care of its customers."

George Sorial, a managing director and lawyer at the Trump Organization, the company that oversees Mr. Trump's various businesses, said that the school had a "very generous" refund policy — and that less than two percent of students ask for their money back.

Mr. Sorial called claims that instructors took students on tours of Home Depot and asked students to raise their credit limits "ridiculous" and "unsubstantiated." He said mentors were prohibited from profiting from their advice. According to student evaluations, he said, Trump University has a 97 percent customer satisfaction rate with its 11,000 paying students around the country.

"I guarantee that if you went out and surveyed Harvard grads, you would find some who are not happy. It's inevitable," he said. "You cannot look at the exception to the rule."

Students said the evaluations must be put into context: they were told to fill them out using their names, often in the presence of the instructors they were assessing. Mr. Tufenkian, for example, said he gave high marks to the program after his mentor told him he would not leave until Mr. Tufenkian did so. "I had to fill it out right in front of him," Mr. Tufenkian said.

The school has repeatedly sought to use such evaluations to raise questions about the credibility of unhappy former students. After Tarla Makaeff, who spent about \$37,000 on Trump classes, joined the lawsuit against the school, the company released raw footage of a Trump University videographer approaching her in a hotel conference room, asking her to assess the program and her mentors. On the video, her mentors can be seen standing beside her, clearly within earshot. While warning that "we just got started," Ms. Makaeff, 37, calls the mentors "great" and "awesome."

In retrospect, Ms. Makaeff said, university employees "were trying to cover themselves," by putting her on tape. Trump University is now suing her for defamation, seeking at least \$1 million in damages for her public criticism of the school in letters, e-mail and online. "That just shows you how low they will go to silence people," Ms. Makaeff said.

The school's troubles are intensifying. Last year, the Texas attorney general, Greg Abbott, opened a civil investigation into Trump University's practices. Since then, the company has agreed not to operate in Texas indefinitely, said Thomas Kelley, a spokesman for the attorney general. (Mr. Sorial said there was no formal agreement.)

And last March, New York state officials demanded that Trump University change its name, saying its use of the word university "is misleading and violates New York education law," joining Maryland, which issued a similar warning in 2008.

The school has since changed its name to the Trump Entrepreneur Initiative, but has not held a new class in seven months as it reworks its curriculum. "It's on hiatus," Mr. Trump

said in an interview.

The Trump Institute, meanwhile, shut down in 2009. "It doesn't meet our standards," Mr. Sorial said. "Our standards are very high."

Selling the Name

Even as his empire has expanded into reality television and the clothing aisle, Mr. Trump remains, at least in the public imagination, primarily a real estate developer.

But to a remarkable degree over the last five years, Mr. Trump has retreated from that role, becoming, instead, a highly-paid licensor, who leases his five-letter brand name to other developers in Toronto, Honolulu, Dubai and even his own backyard, New York City.

The arrangements allowed Mr. Trump, who is notoriously competitive, to remain a player in the world of big-city builders without risking his own money — a prospect that seemed especially appealing as the economy began to crater.

"When things got over-inflated in the world," Mr. Trump's son Donald Jr., said in an interview, "we removed ourselves from the ground-up development world, where we are risking a lot more."

"We switched more to a license model," he said, describing several of the projects, including the Honolulu building, as "big successes."

However it was that kind of license deal — in places like Baja California, Mexico, and in Tampa and Fort Lauderdale, Fla. — that led to disappointment and anger among those seeking to buy a home carrying the Trump name, according to the lawsuits.

John Robbins, 62, a retired lieutenant colonel in the United States Army who is among those suing Mr. Trump, recalled being dazzled by the amenities available in the nearly 2,000-square-foot apartment that he and his wife, Rosanna, bought six years ago at the Trump Tower Tampa: granite countertops, sweeping views of the Tampa Bay, and room service from a high-end ground-floor restaurant.

The most important amenity of all, though, was the name on the side of the building. "With the Trump name," Mr. Robbins said of his \$756,000 unit, "we thought it would be a quality building and address."

The marketing materials left little doubt that Mr. Trump was a driving force behind the 52-story tower: "We are developing a signature landmark property," Mr. Trump declared in a news release unveiling it, which described him as a partner. In a marketing video, Mr. Trump called it "my first project on the Gulf of Mexico," and even showed up to mingle with potential buyers at a lavish, catered event. "I love to build buildings," Mr. Robbins recalled Mr. Trump telling the audience.

A confidential agreement, later made public in court filings, told a different story: Mr. Trump was not one of the developers or builders. For \$4 million, plus a share of any profits, he had licensed his name. As for the mingling with buyers? He was required to do it, up to two times, in the agreement, which spelled out that the appearances last "for no more than six (6) working hours each."

According to the document, the very existence of the license agreement was to be kept confidential. And it remained that way, buyers said, long after they bought their units. "If at any point I had known this, I would have walked away," said Mr. Robbins, who put down a deposit of about \$150,000 — half of which, under Florida law, the developer could use for construction costs.

A similar situation unfolded in Baja, where Mr. Trump licensed his name to another glamorous-sounding waterfront property: the Trump Ocean Resort Baja.

As financing for the building froze in 2008 and the developer missed key deadlines, Mr. Trump exercised his right to terminate the license agreement and remove his name. According to a lawsuit, the partners behind the deal burned through \$32 million worth of buyer deposits, even though little, if any, construction was done.

One of the buyers suing Mr. Trump, Donald Isbell, said he has lain awake countless nights trying to figure out how he erred. He has lost his entire deposit of \$147,000. "I have come to the conclusion," he said, "that what I did wrong was to trust Donald Trump."

Mr. Trump and his advisers seem unapologetic about how they handled the three deals. Asked, in a deposition with lawyers for the Tampa buyers, if he would be responsible for any shoddy construction, Mr. Trump replied that he had "no liability," and said that he was unsure whether his licensing arrangements were disclosed to buyers. Pressed during the deposition as to why he did not return his license fee after the development fell apart, Mr. Trump replied: "Well, because I had no obligation to the people that signed me to give it back."

But what has most galled people like Mr. Robbins, who sank much of their life savings into their dream homes, was Mr. Trump's suggestion that the collapse of the project was a blessing — because it had allowed buyers to avoid the housing crash and the resulting plunge in home values.

"They were better off losing their deposit," Mr. Trump said.

"Better off?" asked Mr. Robbins, who lost \$75,600, the half of his deposit spent on construction. "No. I would be better off if he had been truthful and honest with us from the beginning. I would be better off if he returned my deposit.

"But he will never do that. He is looking out for Donald Trump and the dollar."

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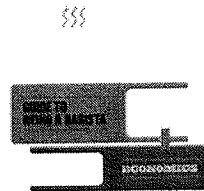


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